



## New Jersey Department of Children and Families Policy Manual

|             |           |   |                 |
|-------------|-----------|---|-----------------|
| Manual:     | CON       | Contracting                                   | Effective Date: |
| Volume:     | I         | Contract Policy and Information Manual (CPIM) |                 |
| Chapter:    | A         | Contract Policy and Information               | 8-31-2007       |
| Subchapter: | 1         | Contract Negotiations and Revisions           |                 |
| Issuance:   | 1.12.2007 | <b>Clusters</b>                               | Revised:        |
|             |           |   | 1-1-2014        |

### I. PURPOSE

The purpose of this policy is to instruct all Provider Agencies and DCF Departmental Components' contracting staff on the policy and procedures for identifying and utilizing Clusters within the Budget.

### II. SCOPE

This policy applies to all Department of Children and Families (DCF) Third Party Social Services and Training Contracts.

### III. DEFINITIONS

In addition to the terms defined in the DCF Contract Policy and Information Manual, and the DCF Contract Reimbursement Manual, the following terms, when capitalized, shall have meanings as stated:

Cluster means one or more service-related Programs designated by the Departmental Component, and identified in the Contract.

### IV. POLICY

For contracting purposes, this policy will enable Provider Agencies to move funds between service-related programs to offset a deficit identified in one program with a surplus in another service-related program.

DCF recognizes two categories of [Clustered services \(see Attachment 1\)](#):

1. General Social Services/Non-Substitute Care Services;
2. Substitute Care Services

All other contracting policies apply. Special attention needs to be given to [CON-I-A-1-1.10.2007 Contract Modification](#), in particular to Section IV. E. Granting of Flexibility for Budget Management regarding Flexible Limits.

A. Level of Service and/or Performance Outcomes Requirements

Each contracted service program component will have a minimum level of service and/or performance outcomes identified as part of the Annex A Contract requirements. These minimum requirements must be maintained as a prerequisite for any funds being transferred between service-related programs within the same Cluster.

B. Funding Source

Services funded under any one of the following sources may be Clustered (by funding source), unless otherwise prohibited by the funding source's regulations or policies.

1. Single funding source
2. Multiple funding sources for the same service
3. State funds
4. Federal funds

C. Fixed-Unit Rate Service Program

Service program components funded under the fixed-unit rate method of payment will not be Clustered.

---

Commissioner